



CITY OF ENCINITAS - CANNABIS FEE SCHEDULE			
Fee Title	Fee	Unit	Estimated Revenue
Phase 1 - Registration Fee	\$ 6,527.83	Registration	\$ 130,556.50
Phase 2 - Application Fee	\$ 4,712.38	Application	\$ 18,849.50
Phase 3 - Annual Regulatory Fee	\$ 12,157.82	Licensee	\$ 48,631.29
Appeal Process Fee	\$ 3,544.05	Appeal	N/A
Initial Owner Background Investigation Fee	\$ 300.00	Owner/Manager	N/A
Owner Background Investigation Renewal Fee	\$ 100.00	Owner/Manager	N/A
Initial Employee Background Investigation Fee	\$ 100.00	Employee	N/A
Employee Background Investigation Renewal Fee	\$ 75.00	Employee	N/A
Financial Audit Fee	\$ 7,500.00	Audit	N/A
Compliance Inspection Fee	\$ 1,250.00	Inspection	N/A
TOTAL			\$ 198,037.29



## Phase 1: Encinitas Registration Process Cost Analysis

<b>REGISTRATION FEE</b>				
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>UNIT</b>	<b>PER REGISTRANT</b>	<b>TOTAL</b>
<b>City of Encinitas Staff</b>				
General Administration	Community outreach, policy development, and general management/oversight of program.	One-Time	\$ 1,214.85	\$ 24,296.98
	Legal support for development, adoption and implementation of cannabis regulatory program.	One-Time	\$ 920.00	\$ 18,400.00
	Zoning development, buffer map design, and other planning/administrative functions.	One-Time	\$ 218.72	\$ 4,374.40
		One-Time	\$ 299.67	\$ 5,993.39
Buffer/Zoning Review	Review application for buffer and zoning requirements. Reject application that violate buffers/zoning. Field potential topographical barrier requests.	Registration	\$ 224.75	\$ 4,495.04
Registration Process	Receive and process registration materials by mail or in-person, including subsequent missing documents.	Registration	\$ 74.92	\$ 1,498.35
	Notification of missing registration materials, and processing of supplementary information provided by businesss with incomplete applications.	Registration	\$ 37.46	\$ 749.17
	Notification of preference ranking by mail and email.	Registration	\$ 37.46	\$ 749.17
<b>Consultant Services</b>				
Registration Design	Create registration forms and instructions.	One-Time	\$ 250.00	\$ 5,000.00
Registration Review	Review of registration materials for completeness and preference scoring.	Registration	\$ 2,500.00	\$ 50,000.00
Fee Study	Development of fee study to offset costs of cannabis regulatory program.	One-Time	\$ 250.00	\$ 5,000.00
Subject Matter Expertise	Provide subject matter expertise in design and implementation of cannabis regulatory program.	One-Time	\$ 500.00	\$ 10,000.00
			<b>Per Registration</b>	<b>\$ 6,527.83</b>
			<b>Total</b>	<b>\$ 130,556.50</b>



## Phase 2: Encinitas Application Process Cost Analysis

<b>APPLICATION FEE</b>				
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>UNIT</b>	<b>PER APPLICATION</b>	<b>TOTAL</b>
<b>City of Encinitas Staff</b>				
Application Intake	Receive applications online.	Application	\$ 37.46	\$ 149.83
	Notification of missing application materials, and processing of supplementary information provided by businesss with incomplete applications.	Application	\$ 37.46	\$ 149.83
Local Authorization	Respond to requests from State agency to verify "local authorizatn" of cannabis applicants for state license. Verify State agency has issued a state license.	Application	\$ 37.46	\$ 149.83
<b>Consultant Services</b>				
Application Material Design	Create application forms, including business information, operating hours, security information, operating procedures, indemnity agreements, proof of insurance, sellers permit, identification, etc.	Application	\$ -	\$ -
Application Review	Review of application materials for completeness and minimum requirements.	Application	\$ 2,500.00	\$ 10,000.00
Application Supplemental Review	Review supplemental application materials provided by applicants and review for completeness.	Application	\$ 500.00	\$ 2,000.00
Pre-License Inspections	Inspect cannabis facility for regulatory compliance prior to licensure. Includes lighting, security, signage, security cameras, inventory control, product storage, etc.	Application	\$ 1,600.00	\$ 6,400.00
			<b>Per Application</b>	<b>\$ 4,712.38</b>
			<b>Total</b>	<b>\$ 18,849.50</b>

### Phase 3: Encinitas Annual Regulatory Cost Analysis

<b>REGULATORY FEE</b>				
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>UNIT</b>	<b>PER LICENSEE</b>	<b>TOTAL</b>
<b>City of Encinitas Staff</b>				
Policy development and program management	Coordinate multi-Department efforts to regulate the cannabis industry, including business regulation and enforcement. Provide central point of contact for City Council and businesses on cannabis related issues. Work with City Council and departments to update and refine cannabis policies and procedures.	Licensee	\$ 1,822.27	\$ 7,289.10
Public education and outreach	Educate the public on cannabis health and safety related issues. Work with neighborhood groups and residents to ensure that businesses are operating according to the rules and regulations of the cannabis industry. Maintain the cannabis website for residents, consumers and businesses.	Licensee	\$ 494.15	\$ 1,976.58
Legal support	Provide legal support to interpret local ordinances, understand evolving State and Federal legislation, and review case law related to cannabis. Defend the City in cannabis litigation and administrative proceedings, and assist with enforcement of licensed facilities as needed.	Licensee	\$ 4,140.00	\$ 16,560.00
Administrative enforcement	Lead administrative oversight/enforcement of licensed cannabis businesses. Code Enforcement staff will field complaints, track cases, schedule field visits, coordinate with business liaisons, issue warnings and citations, process license suspension/revocations, and manage other general administrative duties.	Licensee	\$ 880.12	\$ 3,520.47
		Licensee	\$ 449.50	\$ 1,798.02
		Licensee	\$ 843.10	\$ 3,372.42
Payment processing and collection	Receive, count, process and deposit tax and fee payments from sanctioned cannabis businesses. Administer cannabis audit program.	Licensee	\$ 194.01	\$ 776.05
		Licensee	\$ 210.78	\$ 843.10
General administrative functions	Handle administrative functions including license renewals, transfers of ownership, change in location, modification of premises, PRA response, and other cannabis specific services.	Licensee	\$ 1,261.72	\$ 5,046.89

Fire Safety	Review, certify, and inspect licensed cannabis businesses to ensure ongoing compliance with California Fire Code, California Building Code, California Electrical Code, and other state and local requirements. Cannabis facilities frequently involve highly specialized equipment to address security, fire suppression, electrical, air filtration, cooling, hazardous materials, lighting, and other unique needs. The Fire Department will also provide support to the cannabis administrative enforcement team when needed.	Licensee	\$ 471.83	\$ 1,887.30
		Licensee	\$ 421.55	\$ 1,686.21
Technology Support	Maintain cannabis website, assist with Public Record Requests, and maintain internal cannabis administrative software.	Licensee	\$ 707.74	\$ 2,830.95
		Licensee	\$ 261.05	\$ 1,044.20
			Per Licensee	\$ 12,157.82
			Total	\$ 48,631.29



## Other Fees: Encinitas Additional Regulatory Cost Analysis

<b>APPEAL PROCESS FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER APPEAL</b>
<b>City of Encinitas Staff</b>		
Appeal Process	Development of appeal form for applicants to challenge registration, buffer measurement, or preference ranking process.	\$ 749.17
	Preparation of materials for administrative appeal process.	\$ 874.88
	Provide legal assistance with applicant appeal process.	\$ 920.00
<b>Consultant Services</b>		
Appeal Support	Testify in appeal process.	\$ 1,000.00
<b>Per Appeal</b>		<b>\$ 3,544.05</b>

<b>OWNER BACKGROUND INVESTIGATION FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER OWNER</b>
<b>City of Encinitas Staff</b>		
Background Investigation (Owner)	Background checks of all owners, principals and managers of cannabis businesses. Background checks are intended to supplement State required Live Scan fingerprint checks.	\$ 300.00
<b>Per Owner Background</b>		<b>\$ 300.00</b>

<b>OWNER BACKGROUND RENEWAL FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER OWNER</b>
<b>City of Encinitas Staff</b>		
Background Investigation Renewal	Perform annual background investigation renewals for cannabis owners and managers.	\$ 100.00
<b>Per Owner Background Renewal</b>		<b>\$ 100.00</b>

<b>EMPLOYEE BACKGROUND INVESTIGATION FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER INDIVIDUAL</b>
<b><u>City of Encinitas Staff</u></b>		
Background Investigation (Employee)	Background checks of all cannabis business employees. Background checks are intended to supplement State required Live Scan fingerprint checks.	\$ 100.00
<b>Per Employee Background</b>		<b>\$ 100.00</b>

<b>EMPLOYEE BACKGROUND RENEWAL FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER INDIVIDUAL</b>
<b><u>City of Encinitas Staff</u></b>		
Background Checks Renewals	Perform annual background investigation renewals for cannabis owners and managers.	\$ 75.00
<b>Per Employee Background Renewal</b>		<b>\$ 75.00</b>

<b>FINANCIAL AUDITS FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER OWNER</b>
<b><u>City of Encinitas Staff</u></b>		
Tax Audit	Annual audit cannabis businesses to ensure local and state tax compliance.	\$ 7,500.00
<b>Per Audit</b>		<b>\$ 7,500.00</b>

<b>COMPLIANCE INSPECTION FEE</b>		
<b>PROCESS</b>	<b>DESCRIPTION</b>	<b>PER LICENSEE</b>
<b><u>City of Encinitas Staff</u></b>		
Regulatory Inspection	On-site inspection of cannabis businesses to verify ongoing compliance with state and local laws.	\$ 1,250.00
<b>Per Inspection</b>		<b>\$ 1,250.00</b>